



Planning Commission Staff Report

Date: March 23, 2011

Case No.: Case 5.1050 PD-213

Type: Minor Amendment to Planned Development District (PD-312)

Location: 2465 East Palm Canyon Drive (Smoke Tree Commons)

APN: 510-020-081

Applicant: Studio M Salon and Spa

General Plan: MU / MU (Mixed Use / Multi-Use)

Zone: C-S-C (Commercial Shopping Center)

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: David A. Newell, Associate Planner

PROJECT DESCRIPTION:

The applicant is requesting a minor amendment to allow a salon and spa use within PD-312, commonly known as the Smoke Tree Commons shopping center, located at 2465 East Palm Canyon Drive.

RECOMMENDATION:

That the Planning Commission approve the minor amendment to allow a salon and spa use within PD-312, subject to conditions of Approval. A draft resolution is attached to this report.

ANALYSIS:

Studio M Salon and Spa has submitted a request to allow a salon and spa use within the existing Smoke Tree Commons shopping center located at the southwest corner of East Palm Canyon Drive and South Barona Road. The applicant states that the facility will be approximately 2,713 square feet in size and consist of 20% retail, 60% hair services and 20% spa services. Services offered will include haircuts, coloring, styling, manicures, pedicures, facials, massage, body treatments, botox and skin care products. Their intent is to employ eight full-time hair stylists, two pedicure and manicure technicians and up to four estheticians / masseuses for the four spa rooms. The hours of operation will be from 9:00 a.m. to 7:00 p.m. Monday thru Friday and from 9:00 a.m. to 4:00 p.m. on Saturday.

Zoning Code Analysis

The subject property is located within the C-S-C Zone. The Zoning Codes states that *"the C-S-C zone is designed to combine the general variety of community-level commercial services, in a planned shopping complex."* The proposed use is consistent with the intent of the C-S-C Zone since it will be a commercial service offered within a planned shopping complex.

The Zoning Code further states that *"A community shopping center should feature those commercial sales and service establishments that satisfy the primary needs of the city's residential community at large. It is neither intended nor permitted for these facilities to dilute or to detract from the commercial base established in the downtown shopping district. Tourist-oriented commercial uses are not considered to be viable land use in the C-S-C zone."* While the proposed use can cater to the tourist population, it is the applicant's intent to target local residents. Furthermore, barber and beauty shops are permitted by right within the C-S-C zone and this will be the largest majority of services offered at the facility.

Planned Development Analysis

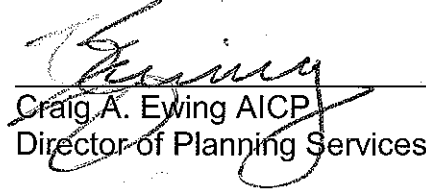
The subject property was developed under a Planned Development District (PD). The purpose of a PD is to *"provide various types of land use which can be combined in compatible relationship with each other as part of a totally planned development. It is the intent of this district to insure compliance with the general plan and good zoning practices while allowing certain desirable departures from the strict provisions of specific zone classifications."* The proposed use will be a salon and spa facility with a majority of the business offering beauty services. Therefore, staff believes the proposed salon and spa use should be permitted within PD-312, subject that the use complies with Chapter 5.34 of the Municipal Code.

ENVIRONMENTAL DETERMINATION:

A Final Environmental Impact Report was previously adopted by the City Council on June 7, 2006. Pursuant to Section 15162 of the California Environmental Quality Act (CEQA), the preparation of further documentation is not necessary since the circumstances surrounding the project have not changed. The present project could not, therefore, result in any new environmental impacts beyond those already identified and assessed in the certified Environmental Impact Report.



David A. Newell
Associate Planner



Craig A. Ewing AICP
Director of Planning Services

Attachments:

- 400' Radius Map
- Draft Resolution
- Applicant's Letter of Request
- Applicant's Business Plan
- Applicant's Floor Plan

RESOLUTION NO.

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING PLANNED DEVELOPMENT DISTRICT 312, APPROVING A SALON AND SPA USE AT THE SMOKE TREE SHOPPING CENTER LOCATED AT 2465 EAST PALM CANYON DRIVE.

WHEREAS, Studio M Salon and Spa (the "Applicant") has filed an application with the City pursuant to Section 94.03.00(G) of the Palm Springs Zoning Code to amend Planned Development District 312 to allow a salon and spa facility at the Smoke Tree Commons shopping center located at 2465 East Palm Canyon Drive, Zone C-S-C, Section 25; and

WHEREAS, on March 23, 2011, a public meeting was held by the Planning Commission in accordance with applicable law; and

WHEREAS, the Planning Commission has carefully reviewed and considered all of the evidence presented in connection with the meeting on the project, including but not limited to the staff reports, all written and oral testimony submitted by the applicant, and all written and oral testimony presented.

THE PLANNING COMMISSION HEREBY FINDS AS FOLLOWS:

Section 1: Pursuant to the requirements of Section 94.03.00(G), of the Zoning Code, the Planning Commission finds:

- 1) *That the use is in keeping with the stated intent and purpose of the Planned Development.*

The proposed minor amendment to the Planned Development District includes the introduction of a new service-related use, specifically a salon and spa facility, to PD-312. The proposed use is similar to "Beauty shops" and "Medical / Dental Offices", which are permitted within the C-S-C Zone and PD-312. Additionally, the proposed use will be subject to Chapter 5.34 of the Municipal Code.

NOW, THEREFORE, BE IT RESOLVED that, based upon the foregoing, the Planning Commission hereby approves the amendment to PD-312 to allow a salon and spa facility, subject to Chapter 5.34 of the Municipal Code, for the property located at 2465 East Palm Canyon Drive.

ADOPTED this 23rd day of March, 2011.

AYES:

NOES:

ABSENT:

ABSTAIN:

Craig A. Ewing, AICP
Director of Planning Services

Studio M

SALON AND SPA

City of Pam Springs
3200 East Tahquitz Canyon Way
Palm Springs, California 92262

Mr. Craig Ewing

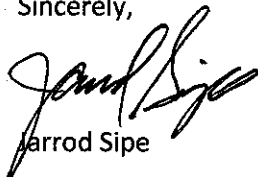
This letter is to request permission to open and Salon and Spa, "Studio M Salon and Spa" in South Palm Springs at 2465 East Palm Canyon Drive, Suite 1025, Palm Springs, California 92264. We would like to request the permit be change and have a PD-312 so that we can proceed with signing our lease and move forward with the build-out of the space. We have a target to be open by August 2011 if we received the approval to move forward. The facility will be open 5 to 6 days a week with normal hours between 9 am and 7 pm Monday thru Friday and 9 am till 4 pm on Saturday.

We are targeting local residents in Palm Springs and that is why we have chosen S. Palm Springs. There are no full service day spas catering to the local residents in the vicinity. What we have found is the clients we are targeting are going to Palm Desert or Rancho Mirage for the services we will be offering. We plan to do things differently from most of our competitors and we will be known for consistency of service and our level of expertise in our industry. It will not be so easy to get a job with Studio M, you must be qualified and committed to on-going training to work for us.

While our primary space will be for hair services, we have talked to many local residents and they would like to have a one-stop shop for all their spa services. he facility will be 20 % retail, 60% hair services, 20 % spa services. Please refer to our business plan and the floor plan for more detail on the business.

Please feel free to call me with questions and or to set up an appointment to discuss further. We are very excited about adding a new business in Palm Springs and appreciate your consideration.

Sincerely,



Jarrod Sipe

Owner

5.1050 PD 312
Minor Change
RECEIVED

MAR 15 2008

PLANNING SERVICES
DEPARTMENT

Studio M Salon and Spa Business Plan

Our Mission: To provide a suite of personal services and products that enhances our client's physical appearance and relaxation in a warm and comfortable environment

Description of Company

Studio M Salon and Spa will be a full service salon and day spa dedicated to consistently provide high customer satisfaction by rendering excellent service, quality products and furnishing an enjoyable atmosphere at an acceptable price/value relationship. We will also maintain a friendly, fair, and creative work environment, which respects diversity, ideas and hard work.

Studio M Salon and Spa will provide expert services in the following areas: Haircuts, Coloring, Styling, Manicures, Pedicures, Facials, Massage, Body Treatments, Botox and Skin Care Products. We will have the capacity to employ 8 full-time hair stylists, 2 pedicure and manicure technicians and have 4 spa rooms for massage, facial, body treatments, skin care and Botox treatments

Market Analysis

The timing is right for starting this new venture. Based on the research we believe that Palm Springs and Cathedral City have a need of our services. Most of the salons in the area are just that, small 3 or 4 person salons, small nail shops and a few individual massage studios. There are a limited number of full-service salons outside of the hotel industry but they are very dated facilities. A consistent complaint from clients using all these facilities is the hit-or-miss nature of the talent working in these salons and spas. We gathered this information by meeting with some local residents in Palm Springs as well as visiting our future competitor's facilities to make sure the complaints were accurate.

Who are our customers?

Our target customer will be local full-time residents. Clearly we want the visitors and seasonal residents that Palm Springs offers but we want to make sure we have a steady base of full-time residents to have consistent revenue year round. While we will be delighted to service a client who only needs one or two of our services, our ideal client may spend several hours getting a haircut, manicure, pedicure, massage and facial.

Location will also help in attracting new clients. The Smoke Tree Commons center will provide us foot traffic as well as provide the Smoke Tree Commons Customers a service that they currently cannot get at that location without Studio M Salon and Spa.

We have already had success in attracting local clients for Miguel Mejias in the last 6 weeks who all say this town is in need of a high end salon and spa.

Keys to Success:

- **Execution** is the key to any successful business and we feel the combination of both our backgrounds will allow us to do just that.
- **Reputation:** Reputation of the owner and staff providing superior personal service. The customer experience is key!
- **Marketing:** Are marketing plan is a simple one: satisfied clients are our best marketing tool. We have many other initiatives that we will be doing, please refer below to our marketing initiatives that we will be executing.
- **Environment:** providing an environment conducive to giving relaxing and professional service.
- **Convenience:** provide clients with a wide range of services in one setting and extended business hours.
- **Location:** Smoke Tree Commons is a highly visible location and should allow for walk-in traffic from other businesses in the center. This is not a mandatory requirement but should help us build our business faster if we can count on some walk-in clients.
- **Cash Flow/Profitability:** Cash Flow is key to success in any business. Jarrod Sipe, majority owner has the experience and a complete understanding based on his education and prior ownership of a successful technology company.

Execution (Business and Industry Expertise):

Our research has delivered a common theme for the most successful salon and spas. You need 2 major ingredients; talented and educated artists (hairstylist and spa employees) and someone who has a business back ground running the business. We have this combination from day one. Jarrod Sipe has the business background, he an accounting degree and track record of starting and running a successful business for 10+years in the technology business. The other partner/owner, Miguel Mejias has over 20 years of experience in the industry with training and certifications from Spain, New York and San Francisco at the top institutions in the industry. Please refer to their resumes for more information.

Reputation

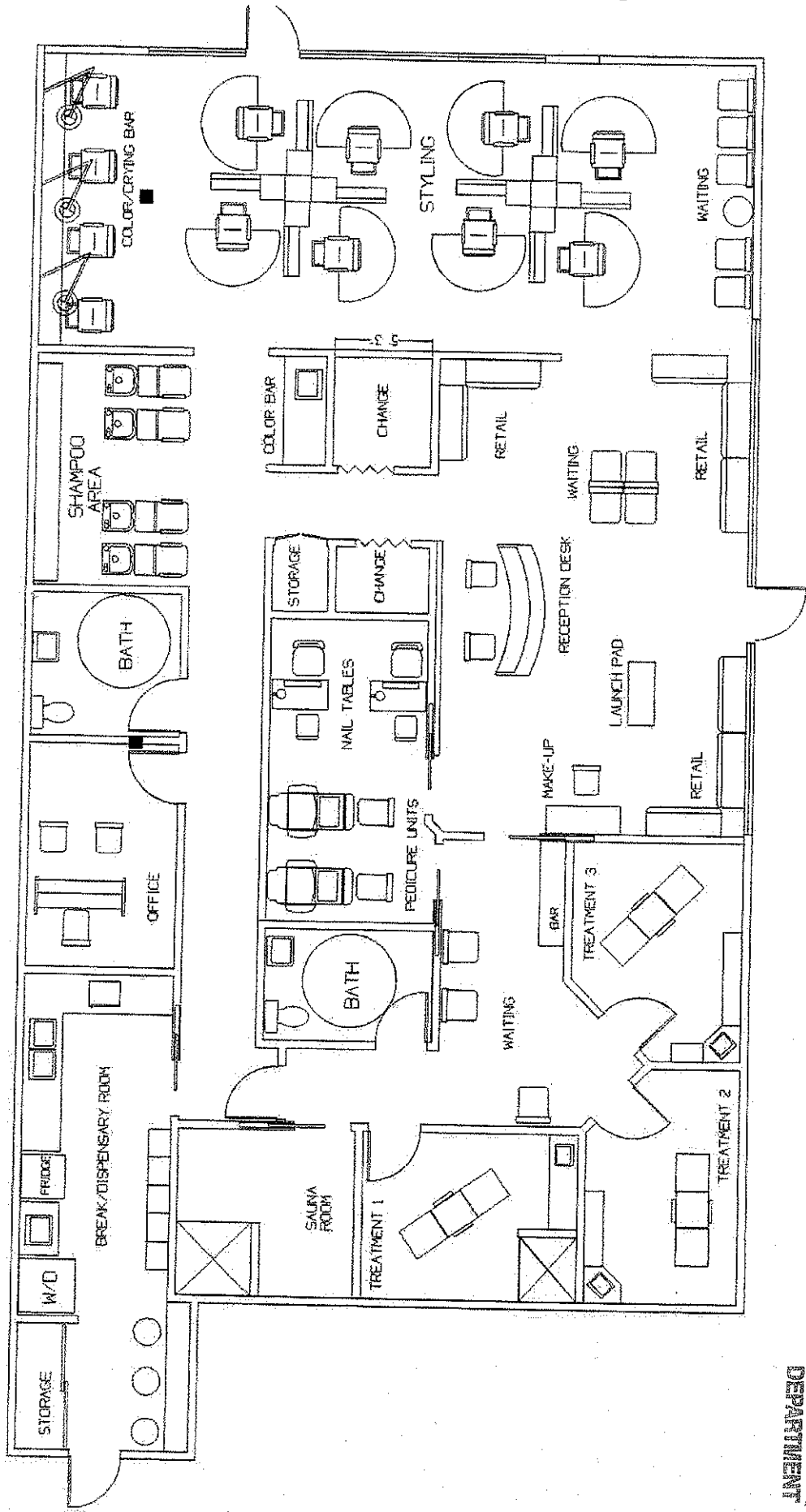
- **Customer Experience:** Our unique value proposition to our clients is, first and foremost, the customer experience. It's easy to make this statement but it's another thing to deliver. You must have the proper certifications, education and customer service background to create a customer experience that is better than our competition. The owners possess the background, skill, education and experience to create this type of environment.
- **Training and Education:** We will provide an environment that embraces weekly training to all employees so that we are always on top of industry trends and certifications. This will allow us to provide our clients the best, most up to date products and services available in the beauty industry and fill a void that currently exist in Palm Springs and Cathedral City.

Marketing Plan

- There are many types of marketing that we will be doing over the coming months. Jarrod Sipe, principal owner, has an extensive background in sales and marketing along with the history of creating a successful business from the ground up.
- **Referrals-word of mouth** are the best source of new clients
- **Gorilla Marketing**-(hitting the street). This is the best form of marketing that you can do, it has the largest % of return on investment but it is also the hardest type of marketing to execute. With Mr. Sipe's background, this will be a differentiator with Studio M Salon and Spa, versus our competitors.
- **Employee Marketing:** We will be paying all of the services staff a commission versus salary so all hair stylist and spa employees will be incented to find customers as well.
- **Attracting New Hairstylist with customers:** While this is not a form of marketing it is another way we will attract customers right away. We plan to hire and attract several local hair stylists and or spa employees that already have a customer base. We believe we can attract them for several reasons; i.e. convenient location for the customers, upscale environment, benefits offered and on-going training that will be provided by Studio M Salon and Spa.
- **Walk-ins** will also be another form of Marketing. The Smoke Tree Commons location allows us to have street visibility from the road and shopping center.
- **Local Networking Events:** The Local Chamber of Commerce, the DBA Organization of Palm Springs and Charity Functions are a great place to find prospective clients. We plan to host many events for these types of organizations that will get customers in our facility.
- **Asking our current vendors to promote us:** We will ask all the people we do business with to send us clients and remind them to do so on a regular basis.
- **Other types of marketing:** web specials, targeted email or mailing campaigns, charity events and a customer discount referral program.
- **On Line Marketing:** This will consist of Optimizing search engines when clients surf the web for a local salon and spa as well as tracking people who visit our website.
- **Our website:** will be used more vigorously for the spa services as customers are used to going on-line to find out what types of services you offer.
- **Targeting the hotel community:** We will target and set up some sort of commission based program for Hotels that do not offer spa services directly at their facilities

Environment

As stated in our mission statement, physical appearance and mental relaxation is what we are all about. To that point, we must have an environment that backs this statement up; hence the build out/layout and furnishings of Studio M Salon and Spa must match our mission statement. This does not mean our environment will be excessive it just needs to be up to date and provide an environment that matches our beauty industry imagine:



MAR 15 2011

PLANNING SERVICES
DEPARTMENT

RECEIVED